



State of Utah

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**Division of Facilities**  
**Construction & Management**  
January 2006



**INTERNAL SERVICE FUND**  
**ANNUAL REPORT**



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## EXECUTIVE SUMMARY

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The Internal Service Fund within the Division of Facilities Construction and Management (DFCM) contracts with many state agencies to manage operation and maintenance functions throughout the state. DFCM provides many different services to support these facilities. The following Annual Report describes the responsibilities and achievements of the past year for the groups that comprise the Division's Facilities Management Internal Service Fund.

### **Building Management**

DFCM provides building management services for over 140 owned and leased facilities throughout the state. In addition to the traditional maintenance services, DFCM offers its customer agencies assistance in areas such as developing annual capital improvement requests, energy management reduction measures and providing project management services. DFCM also provides centralized contract and accounting services for all related operational expenses.

### **Energy Management and Electronics Resources**

Automated systems continue to impact all aspects of everyday life. Within modern buildings are automation systems that control heating, air conditioning, indoor air quality, lighting, access control, security monitoring, etc. The Energy Management and Electronics Resource Group was developed to provide support for DFCM-managed buildings and buildings managed by other state agencies or institutions. This group provides central support for programming, energy reduction measures, inspection and repair of building control systems, fire suppression and video monitoring systems.

### **Statewide Facility Focus Program**

DFCM continues to offer a computerized maintenance management system to other state agencies and universities called Facility Focus. This system first was implemented by the division in 1999. This database assists the agency in the overall management and oversight of state facilities. DFCM secured a statewide site license for the product in 2003 and offered the program to all state agencies and universities. To date, several of these operations have taken advantage of this offer; the progress of this program continues to meet expectations. As participation increases throughout the state, all users will benefit from shared services and competitive pricing.

## EXECUTIVE SUMMARY

### Employee Development

Facilities Management is committed to the professional development of its employees. As a result, the division offers a variety of programs which cater to the broad skill range of our DFCM staff. These programs include maintenance and grounds apprenticeships, specific skill building courses for our craftsmen, support staff development, management development and software training. Facilities Management also considers safe work practices and compliance with federal regulatory guidelines a priority. To accomplish this, annual safety, first aid and other required training and testing sessions are conducted. In addition, monthly publications in a range of subjects are available so employees always have access to current information. We encourage our employees to seek training opportunities and are open to their suggestions and requests.

### Challenges and Opportunities for the Future

Continued growth in the number of buildings DFCM manages is always an issue that needs to be addressed. Ongoing forward planning is required to address the impact of future growth. Space and staffing requirements are evaluated annually. Energy consumption is also a major focus of the organization. With the frequent rate increases and fluctuation of utility costs, Facilities Management will focus a significant amount of time and effort to efficiently manage resources in state facilities. Utility expenses currently account for over 25 percent of the overall annual operating budget for managed buildings. Disaster planning and building security awareness remain issues in the coming year.



WEST JORDAN COURTS BUILDING

## INTERNAL SERVICE FUND OVERVIEW

The Internal Service Fund (ISF) is a part of the Division of Facilities Construction and Management (DFCM). It includes several subgroups each with different responsibilities, but all working together to provide complete operation and management services to our agency customers. These groups are linked by their common responsibility of ensuring buildings are safe and functioning properly. Additionally, DFCM strives to constantly communicate with each customer agency to jointly address all aspects of building management.

### Organizational Structure

The ISF consists of four primary groups. **Facilities Management** directs building management efforts for agencies throughout the state. **Central Support Services** provides internal contracting and financial support for agencies. The **Energy Management and Electronics Resource Group** provides energy conservation measures and automated systems support for state agencies. Finally, the **Statewide Facility Focus** program assists agencies by providing and supporting a computerized facilities management program.

### Funding

Funding for the ISF varies from group to group. Facilities Management, which provides complete building management services for a variety of agencies, is funded entirely from the revenues it collects from those agencies. Operation and maintenance agreements are renewed annually and adjusted as needed. The Energy Management and Electronics Resource Group provides central support and operates within Facilities Management. It is funded from savings realized when compared to outside vendors providing these services. The Statewide Facility Focus program is funded through service agreements with the agencies and institutions participating in the program.

### Scope of Responsibility

While the various programs within the ISF have different specialties, they also have different scopes of responsibility. Facilities Management and the Energy and Electronics Resources Group only function in DFCM-managed buildings, while the statewide Facility Focus program is offered to all. Many state agencies and universities currently participate in the Facility Focus program.



DRAPER ABC STORE



## FACILITIES MANAGEMENT

**F**acilities Management currently manages over 5.4 million square feet of space throughout the state. Building types include office space, court facilities, historic buildings, armories, retail facilities, warehouses, etc. This square footage is contained within 137 individual programs, or cost centers. The division provides comprehensive building management services such as corrective maintenance, preventive maintenance, full accounting services, management of service contracts, project management and emergency planning. Facilities Management also provides input on the pre-design, programming and design review phases of new construction.

### Building Management

As services are requested for new building locations, Facilities Management performs an analysis of each specific building to determine the maintenance requirements. Budget rates are then determined and discussed with the requesting agency. Once this is accomplished, maintenance personnel are assigned and service contracts are secured to provide complete operational services.



MECHANICAL ROOM AT MATHESON COURTS BUILDING

The primary function of building management service is maintenance – both preventive and unscheduled repairs. DFCM provides a staff of skilled craftsmen to perform repairs to key building systems. The division continues to contract with a limited number of vendors to maintain specialized equipment. However, an emphasis is placed on preventive maintenance of all building support systems to prevent premature failure and ensure the full expected equipment life. The quality of preventive maintenance performed at buildings is measured by the Statewide Preventive Maintenance Standards. A building has met these standards if it receives a score of 90 percent or higher in an audit. DFCM managed buildings continue to score above this level, indicating that the division has met or exceeded the high standards set for preventive maintenance.

## FACILITIES MANAGEMENT

DFCM uses a centralized software program called Facility Focus. Facility Focus is a comprehensive database that includes corrective and preventive maintenance management, contract and accounting functions, purchasing and other areas. This system tracks work orders for buildings and automates schedules for preventive maintenance routines. By using Facility Focus, employees can track each piece of equipment and generate a past record and future schedule for its maintenance. The emphasis on preventive maintenance yields a huge cost savings in repairs and future costs. The database also aids in contract management. All service-related contracts are managed within this system for content, payment and general oversight.

### Project Management

Facilities Management provides project management services and support for improvement and small remodeling projects at its managed facilities. During the past year Facilities Management assisted its agency customers with numerous requested projects at multiple locations, including life safety upgrades, tenant finishes and energy conservation. Facilities management personnel also assisted DFCM project managers with funded capital improvement and development projects.

### Emergency Management

DFCM has the responsibility to provide emergency response planning for its buildings. Facilities Management employees assist tenant agencies in developing evacuation plans and coordinating emergency preparations through a network of building Emergency Coordinators representing each agency that occupies the building. By meeting regularly with their Emergency Coordinators, DFCM staff can communicate emergency plans with everyone working in the building. Facilities Management employees also have assisted tenant agencies by developing an emergency contact booklet to be located near all staff telephones. Information included in these booklets is the recommended



PAST EARTHQUAKE DAMAGE

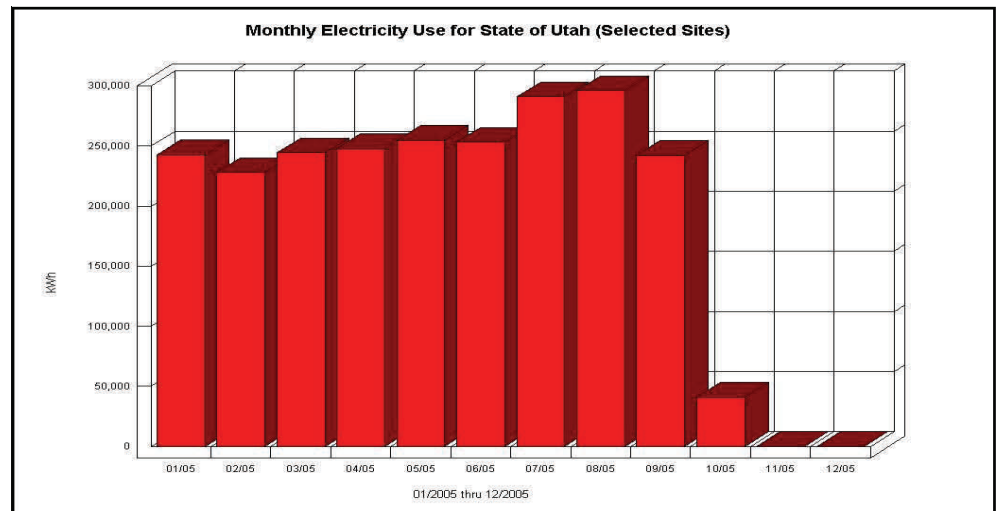
procedures for multiple types of emergencies or disasters. Each booklet is customized to the location at which it is displayed. To provide internal emergency management preparation, DFCM has developed a software program, Facilities Disaster Response Program (FDRP), to organize its employees and

## FACILITIES MANAGEMENT

resources in responding to emergencies in managed buildings. FDRP has the means to track the condition of buildings so the information immediately can be reported to the Emergency Services and Homeland Security Division of Public Safety. In the case of an emergency or a disaster, employees will use this program to immediately establish a command center. This software includes emergency contact information for employees, the ability to track employee locations and agency response assets, detailed assignments for responders and utility shutoff locations. Facilities Management also coordinates emergency response training for all staff. This provides trained individuals to assist in emergencies not only within our managed buildings, but within local communities throughout the state.

### Energy Management

Energy conservation will always be a high priority with DFCM. Because of the large number of buildings that the division manages, even small decreases in energy consumption can result in significant cost savings to the state.



Each year DFCM manages many energy projects at its buildings that are paid for with improvement funds. The number of projects completed each year varies with the funding available. Internal Service Fund staff also work in conjunction with project management in establishing energy efficient design criteria for new buildings. These general guidelines will ensure that new buildings are designed with an eye to energy efficiency and will result in cost savings for years to come. DFCM also strives to be a leader in this area and has staff membership and participation in the Utah chapter of APEM (Association of Professional Energy Managers) and is accredited through the National Association of Energy Engineers (AEE).

Staff also are charged with creating an energy conservation plan for each managed building. These efforts have resulted in energy savings produced by such activities as lighting upgrades, recommissioning of building control systems, installation of lighting sensors and other projects.



# FACILITIES MANAGEMENT

## Central Support Services

The Facilities Management Internal Service Fund currently has 137 individual cost centers. Each cost center is comprised of a building or building complex. To support the overall management of these facilities, DFCM performs central contracting and accounting as part of the services provided to its customers.

Each cost center is treated as a separate unique business entity with its own revenues, expenses and retained earnings balance. In Fiscal Year 2005 the fund collected revenues totaling \$19,485,700 and paid expenses totaling \$19,269,300. Approximately 120,000 financial transactions were processed during this year by the ISF Accounting Section. This effort covers the payment of expenses and the collection of revenues associated with each program.

The ISF Accounting Section continued the document scanning of all payment and revenue documents in Fiscal Year 2005. Scanning has proven to be beneficial to the division in many areas. All documents are accessible over the Internet and are contained within the division's computerized document management system.

A monthly budget report with drill down capabilities to the source document is

accessible through the Internet, making it available to both DFCM employees and its customer agencies. This Web-based reporting process makes the current budget status and related documentation available for each cost center managed by the Internal Service Fund. A monthly expense budget report with similar functionality also was completed for the grounds care operation in FY 2005.

DFCM currently manages 305 contracts for services such as janitorial, security, elevator maintenance, snow removal, refuse removal, etc. There also are 112 Operation and Maintenance Agreements, which are agreements with other state agencies for the maintenance of their space. DFCM uses these agreements to base the services provided and the fees paid. The contracting section continues to provide support for all statewide needs. Once a contracted service has been identified, this section performs all necessary specification preparation, advertising and final contract preparation. Additionally, the staff monitors and verifies payments for accuracy.

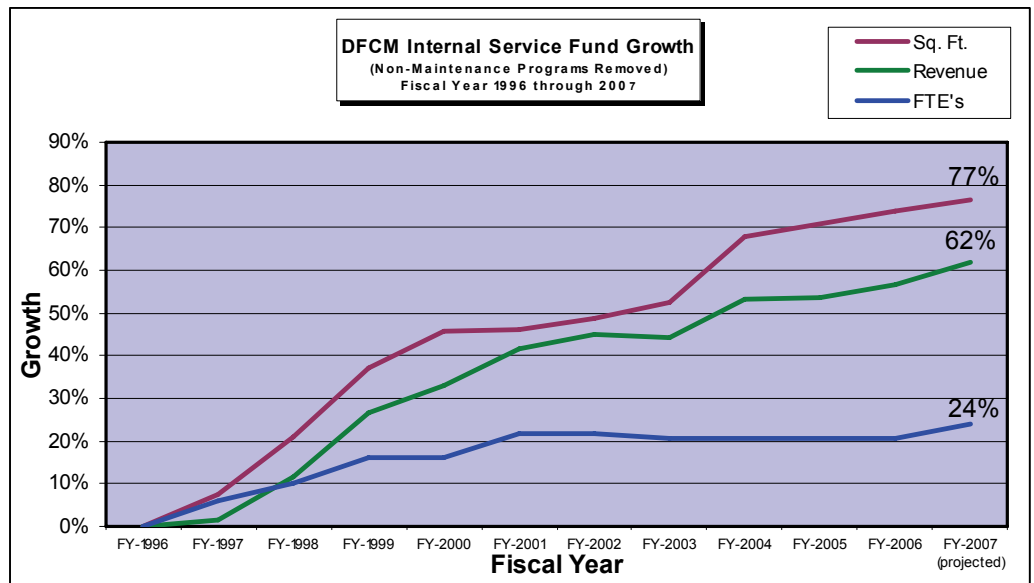
Purchasing Summary									
Work Request: 00011698									
PQ #	Date	PQ Type	Amount Vendor	Description	Requested by	Status	Invoice #	Receiving #	
0770	9/9/2005	0-45000 CUST	\$3,200.00	Wm Engineering Inc	Design For A New Roof Top Air Unit At Present Ctr.	Unknown Requester	10-ORDERED		
Work Request Total: \$3,200.00 1 Purchase Orders met your selection criteria									
Work Request: 0105434									
PQ #	Date	PQ Type	Amount Vendor	Description	Requested by	Status	Invoice #	Receiving #	
0675	8/4/2005	0-41000	\$497.00	Robert Merrill Company	Desk Draw Repairs-Engine Room ABC	Rage Drive	10-ACCT INVC	0199	
17317	8/27/2005	0-41000	\$189.35	Bangs Wan Metals	Meat Case Frames	Robert Isalaka	20-DIV RECEIVED		
17813	9/14/2005	0-41000	\$597.60	Levee Inc	Levee JP-0-0 Levee Furniture	Brian O'Connell	20-DIV RECEIVED		
19033	10/31/2005	0-41000	\$100.00	Commercial Window Cleaning	Class Windows @ Menn	Chad Browning	10-ORDERED		
19037	10/31/2005	1001-45000	\$2,855.00	Loudquist Sales Inc	Wall Model 1200 Venturi Soap Pump	Michael Morrison	20-DIV RECEIVED		
19112	11/2/2005	0-41000	\$270.00	Clark Security Products	Door Hardware-Bldg	Rage Drive	20-DIV RECEIVED		
19127	11/2/2005	0-41000	\$260.00	Ultimate Fence Company Inc	Power Fencing	Brown Cook	10-ACCT INVC	0202	
19189	11/7/2005	0-41000	\$45.10	Bammy Specialists	Batteries-1305	Chris Hamman	10-ACCT INVC	08847	
19225	11/8/2005	1000-41000	\$308.510.00	Chavez LLC	Remodel @ Menn	Chad Browning	10-ORDERED		
19233	11/8/2005	PQ CONTRACT	\$3,355.00	Power Engineering Company	Power Cables Chemical-Hawth	Michael Morrison	20-DIV RECEIVED	0113461-in	
19306	11/8/2005	PQ CONTRACT	\$1,841.50	Power Engineering Company	Chemical-Hawth	Michael Morrison	20-DIV RECEIVED	0113464-in	
19391	11/14/2005	PQ CONTRACT	\$3,268.78	Power Systems Chemicals Inc	Power Products-Hawth	David White	20-DIV RECEIVED		
19453	11/17/2005	0-41000	\$40.14	Menna Industries	Batteries-Hawth	Edwin Rappiere	20-DIV RECEIVED		
Work Request Total: \$16,792.84 13 Purchase Orders met your selection criteria									
Work Request: 0105496									
PQ #	Date	PQ Type	Amount Vendor	Description	Requested by	Status	Invoice #	Receiving #	
19522	8/30/2005	0-41000	\$61.00	Demo Applied Technology	Tuition, Fee Per Detic Case	Priscilla Anderson	20-DIV RECEIVED		
19361	10/10/2005	0-41000	\$101.64	Ry Ko Exter Maintenance	Power Products - Cct	Kean Manning	20-DIV RECEIVED		
19495	10/7/2005	0-41000	\$238.95	Johanna Electric Motor Inc	Motor - Brigham Ctr	Joan Enley	20-DIV RECEIVED		
19490	10/17/2005	0-41000	\$13.48	Shawlin Williams Levee	Paint - Cct	Kean Manning	10-ACCT INVC	1792-0	1792-0
19498	10/17/2005	0-41000	\$152.50	Ry Ko Exter Maintenance	Tuition - Brigham	Joan Enley	20-DIV RECEIVED		
19727	10/18/2005	0-41000	\$186.00	Micropac-Soltec	4 Wk Business Fragrance - Brigham	Joan Enley	20-DIV RECEIVED		
19728	10/18/2005	0-41000	\$91.00	Micropac-Soltec	4 Wk Business Fragrance - Brigham	Joan Enley	20-DIV RECEIVED		
19729	10/18/2005	0-41000	\$161.00	Micropac-Soltec	4 Wk Business Fragrance - Legato Ctr	Joan Enley	20-DIV RECEIVED		
19844	10/24/2005	0-41000	\$77.60	Shawlin Williams Levee	Chaper Brand - ABC Cartr	Chris Mckinn	20-DIV RECEIVED		
19845	10/24/2005	0-41000	\$20.00	Menna Industries Supply Inc	Toilet - 1335 & 1313	Kean Manning	10-ORDERED		
PCRM02-3 Purchasing Summary Monday, December 19, 2005 Page 1 of 13									

EXAMPLE OF PURCHASING SUMMARY

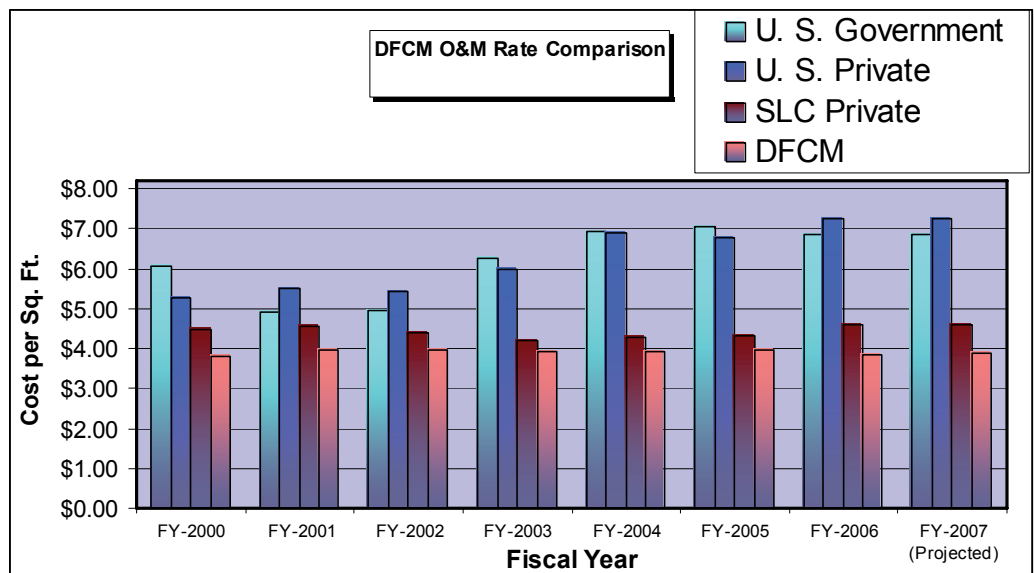
## FACILITIES MANAGEMENT

### Cost Information

DFCM continues to emphasize cost control measures even in times of tremendous program growth. Again this year, DFCM's overall rates are less than other industry providers and this benefits those agencies using Facilities Management services. The following graph shows the growth in revenue dollars, square feet managed and FTE's from Fiscal Years 1996 through 2007.



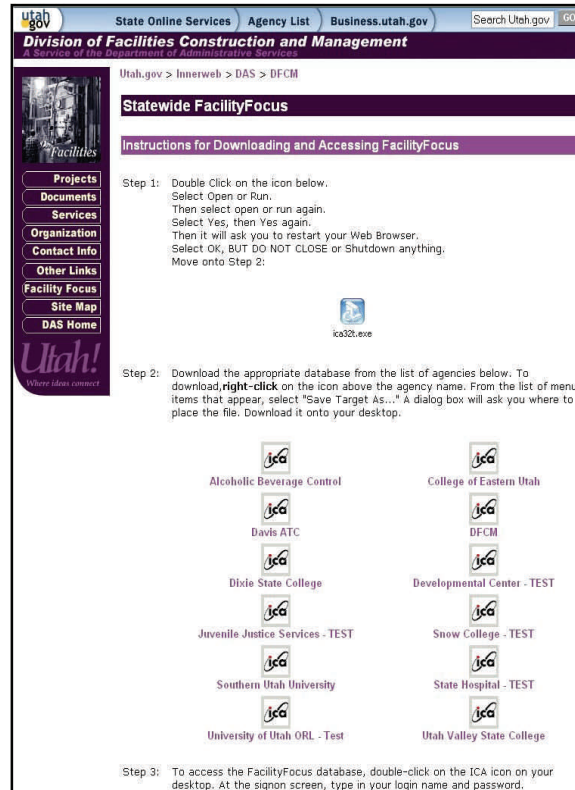
Shown below are DFCM's cost control efforts as compared to the private sector and U.S. Government from Fiscal Years 2000 through 2007.



## STATEWIDE FACILITY FOCUS

In 1999, DFCM purchased and implemented a computerized maintenance management system called Facility Focus. This program is multifaceted and provides overall maintenance management solutions. These include corrective and preventive maintenance, property, contract and project management, purchasing and financial status information, plus other areas related to property management.

Because of the division's successful use of the database, DFCM secured a statewide site license for the product. This agreement allows any state agency or higher education institution to use this resource at a greatly reduced cost. DFCM has developed this as a cost recovery service. To cover these costs, agencies pay a yearly support and license fee to DFCM to use Facility Focus. Agencies and universities wishing to take part in this program pay only for actual support and licensing costs incurred by DFCM to support this effort. As participation grows, fixed costs, such as software maintenance fees, database hosting, etc., will continue to be distributed across a larger user base. This will reduce user costs for all participants through economy of scale.



STATEWIDE FACILITY FOCUS WEB PAGE

### Participating Organizations

Agencies and universities participating in this program to date are:

Department of Alcoholic Beverage Control  
Davis Applied Technology Center  
Southern Utah University  
Weber State University  
Uof U Housing and Residential Education

Dixie State College  
Utah Valley State College  
Snow College  
Department of Human Services  
College of Eastern Utah

As more agencies and universities are brought into this program there is a great opportunity to standardize building information across various state operations. Management of the Facility Focus database does place a strain on DFCM resources. The division must provide technical resources to implement and train agency staff and purchase new computer equipment such as servers and licenses, for agencies. The statewide use of a single maintenance management system will prove well worth the resources and will provide a cost savings in the years to come.

## CUSTOMER SERVICE

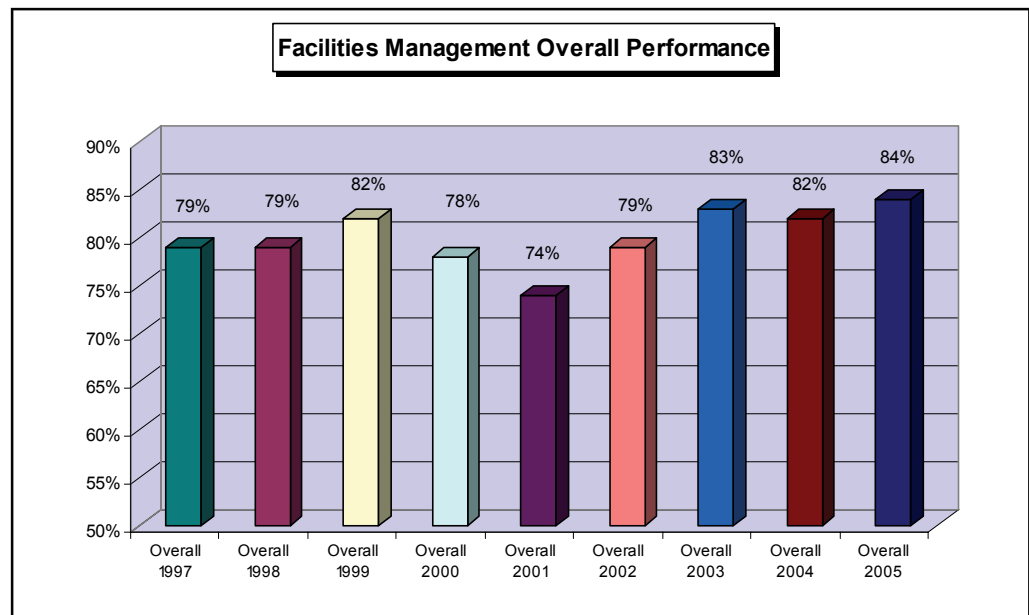
**F**acilities Management continually strives to improve its procedures and realizes that the best source of ideas for improvement will come from its customers. For this reason, bi-annual surveys are conducted soliciting ideas for improvement from building tenants. To ensure that the information gathered is legitimate and pertinent to Facilities Management, the survey is distributed to specific building contacts that are familiar with what the division does as well as what constraints the division operates under.

The survey is available online and there are seven areas covered: Customer Service, Interior Appearance, Building Comfort, Building Maintenance, Employees, Communication and Grounds Services. Specific questions are asked on a rated scale and an open text question in each area gives respondents an opportunity to say whatever is concerning them.

The results of the survey, scores and comments, both positive and negative, are reviewed by each facility coordinator and supervisor of the respective complex. They, along with management, determine how best to address complaints or suggestions for improvement and also celebrate successes with their crews.

Facilities Management considers the information gleaned from the surveys invaluable. No enterprise can be successful without listening to its customers. Being in the service business, we depend on this information as a guide not only for corrections that are needed, but also for long-range suggestions for growth and development.

As the chart below indicates, overall scores rose from 82 to 84 percent this year. These scores and the comments and suggestions for improvement provide real, concrete issues to address, correct and improve. Pursuing this upward trend is a welcome challenge.



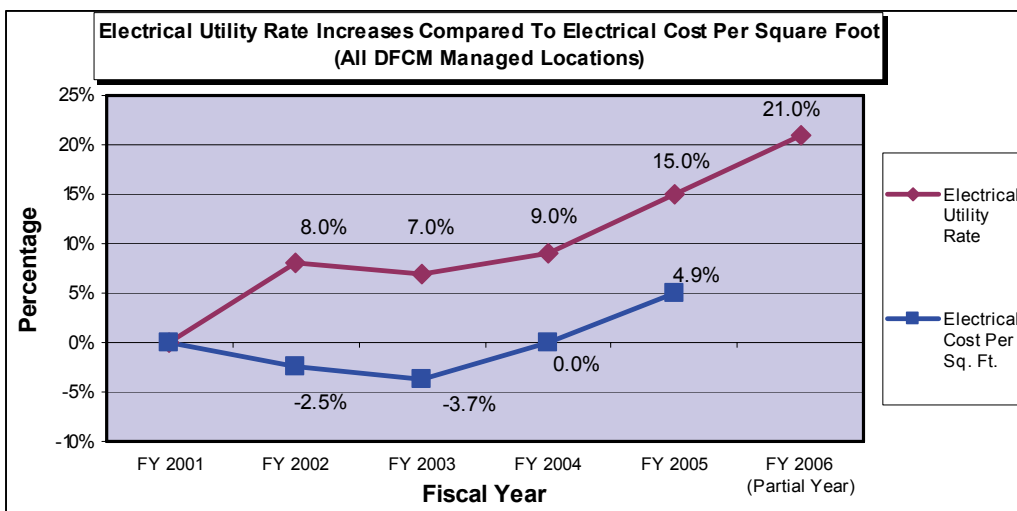
## ENERGY MANAGEMENT & ELECTRONICS RESOURCE GROUP

In current building technology, energy conservation cannot be achieved without modern automated systems. In order to effectively address this issue, the Energy Management and Electronic Resource Group was developed. This team serves as a central support for all managed locations and has the knowledge and understanding to properly program building automation systems for efficient operation. This group currently consists of four individuals, each with specific skill sets to address all types of building automation systems. All DFCM-managed buildings are evaluated for energy saving potential. Once identified, this group addresses programming and operational issues. Improvement funding is sought for larger projects. The group performs required inspection services for systems such as fire detection and backflow prevention. The creation of this group has eliminated the need for more costly vendor service contracts.

### Energy Conservation and Management

Because of the large number of buildings that the division manages, even small decreases in energy consumption can result in significant cost savings. Utility expenses for ISF managed buildings exceeded \$5 million during the last operating year.

The graph below demonstrates the results of our efforts across all DFCM managed facilities. Total savings from Fiscal Year 2001 equate to over \$1.5 million. These efforts assist in controlling our overall operating costs.



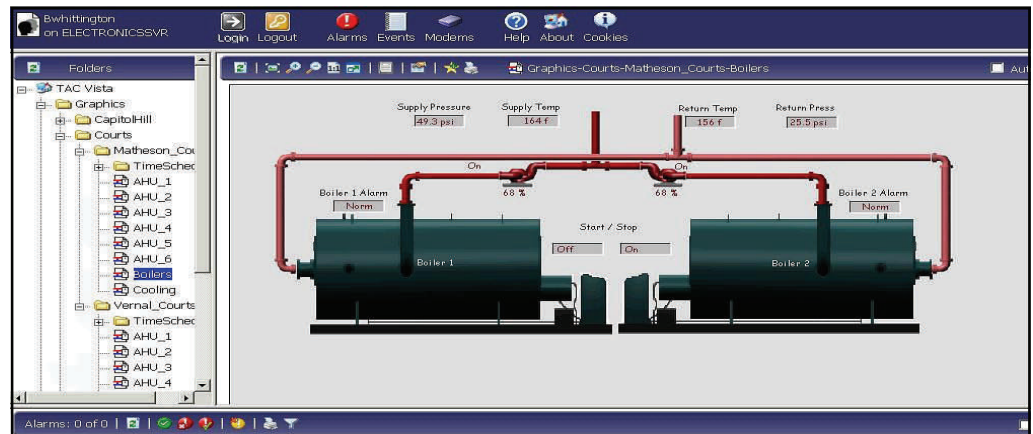
Since DFCM has the responsibility to develop conservation measures and properly control utility costs, staff are charged with creating a conservation plan for each building, then addressing issues as resources and funding become available. Utility costs and consumption are tracked, monitored, and evaluated for each location. Various resources such as retro-commissioning, life-cycle costing, design and engineering, and utility company involvement are used to assist in improving operating efficiency.



# ENERGY MANAGEMENT & ELECTRONICS RESOURCE GROUP

## Building Automation

New technology has enabled the division to provide access and monitoring capabilities via the Internet. This has greatly improved DFCM's ability to remotely monitor its managed facilities throughout the state. This effort has been extensive, but now allows maintenance staff to monitor building performance from any location. The Web-based program has proven to be a great time saving tool to maintenance personnel. The system enables staff to identify



EXAMPLE OF WEB-BASED ENERGY MANAGEMENT CONTROL PROGRAM

problems quickly and make changes if necessary. Being able to resolve problems quickly benefits building occupants and reduces energy usage and potential damage to equipment.

## Fire Systems Testing

DFCM's fire detection system program has become a very successful part of this operation. As required by code, each fire detection system in every managed building has been identified. A testing schedule for every system device is then developed and performed. Backflow preventers also are inspected by this group. This inspection is a valuable service, particularly to those buildings located in rural communities where certified inspectors may not be available.

## Agency Assistance

The Electronics Resource Group's primary responsibility is to support DFCM managed buildings. However, other state agencies routinely ask DFCM for assistance with automation and fire systems. As time allows, the ERG does support state agency locations not under a maintenance agreement with DFCM.



ERG STAFF TROUBLESHOOTING CONTROL PANEL

## EMPLOYEE DEVELOPMENT

Continual improvement is the goal for Facilities Management, in all aspects. We look for ways to provide advancement opportunities by improving management skills, enhancing craftsperson's and support staff's knowledge and providing other educational opportunities. Additionally, we provide emergency and disaster response training and ensure safety skills are up to date. This training is useful and increases employee morale. By investing in our employees, Facilities Management demonstrates a commitment to them. We feel this is one of the best investments an organization can make.

### Safety and Emergency Response Training

The nature of the work that Facilities Management craftspeople perform places them in the position for potential risk and accident. The division takes the responsibility of giving our employees up-to-date and accurate information in the area of safety and risk. Facilities Management also makes it a priority to promote safety awareness and accident prevention. A Web-based safety training program, tailored to the unique needs of a facilities maintenance organization, was developed and is reinforced annually to keep DFCM staff in compliance with federal government regulations. Updates and improvements to the program are made and all employees are given the updated program. This program includes seven OSHA-required courses and a driver's certification course. In January, all DFCM employees will receive updated in-house first aid and CPR training, certifying them for another two years. As needed, various specialty emergency response training courses are offered, such as elevator evacuation practice review, fire extinguisher training, post-hazardous evaluation courses, etc. Yearly building evacuation drills at each complex



CERT TRAINING FOR DFCM STAFF

continue to be held and building evacuation plans are updated annually. Each year a simulated disaster scenario is created and coordinated. The response to it by our coordinators and other staff is evaluated and discussed. Suggested improvements then are put into place.

## EMPLOYEE DEVELOPMENT

### Skills Training

In keeping with DFCM's philosophy of promoting employee development, division staff has developed a training program to provide crafts level employees and support staff with the opportunity to further develop their professional skills. By working with Granite and Jordan School Districts, UTA, and Salt Lake Community College the partnership has improved and the apprenticeship program has been updated. This program was successfully launched this fall and several staff members have just completed their first semester and plan to continue using this program.

The maintenance apprenticeship program consists of core courses in electricity, plumbing, heating and air conditioning, pipefitting, carpentry, trowel trades and painting. Elective courses will be available where appropriate such as: arc welding, mechanical systems and an extended HVAC and applied controls course. There is a groundskeeping leg to the program, consisting of courses in plumbing/pipefitting, small engine repair and maintenance, landscape and water conservation, electrical applications, pest control and management, fundamentals of soil science and horticulture, woody plants and turf grass management, and tree care. A component for perennials and annuals was added this year and grounds staff members are signing up for this class. All participants in this apprenticeship program are eligible for administrative salary increases upon successful completion of the required curriculum.

The skills training program for support staff has proven to be successful. Several employees are utilizing the opportunity, their skills have been assessed and they have successfully applied their training to their workplace duties. Others are planning to take advantage of the next course in the coming semester. To determine the skills needed by their staff, managers receive a matrix specific to their position, which matches identified needs with acceptable options of study. Available areas of development include accounting and financial skills, analyzing and formatting data, written and oral communication, leadership and management development, technological development and other related areas. This program is specifically geared to promote educational opportunities for support staff and to offer skill building in the areas needed.

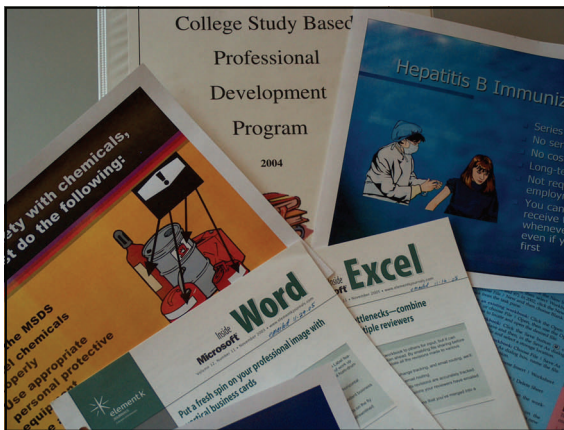
Only college-level courses are approved for this program. An administrative salary adjustment is available upon the successful completion of the required course in each aspect of the



CRAFTSMEN APPLY SKILLS ACQUIRED THROUGH TRAINING

## EMPLOYEE DEVELOPMENT

program whether it be maintenance apprenticeship, grounds or support staff. An assessment of the expected skills is conducted before management approves the adjustment. In many areas, employees are required to complete two full semesters of study before becoming eligible for any pay increase. The apprentice and support staff programs both operate under the same requirements and offer all staff an opportunity to improve their skills and position in the division. It is a win-win situation for both the division and the staff.



EXAMPLES OF SOME OF DFCM'S TRAINING PROGRAMS

### Technological Training

As in any business, keeping up with technology is key to success. As technology advances, Facilities Management recognizes the importance of keeping staff member's skills sharp. Employees are encouraged to utilize software and other technological training that is offered. There is a wide variety of training courses available, from self-paced on-line courses to full day classroom sessions, enabling employees to find courses that fit their

schedules and learning styles. There have been several "brown bag" training sessions aimed at enabling our staff to more fully utilize the technology offered – i.e., ProjectWise, Facility Focus, etc. Also, Facilities Management provides a variety of monthly publications that are made available to staff, providing resources for solutions to specific problems.

### Management Training

Facilities Management continues to offer management training through classes offered by the Employer's Council, (formerly Utah State University Business Institute). The training is available on several levels: a five-week first time supervisory course, a course for experienced managers which runs six weeks and a more advanced six-week course for the seasoned manager. The five-week course covers the essential skills needed for a successful supervisor. The management course builds on the foundation laid in the supervisor course, covering issues from motivation and leadership to employee selection and performance. Our seasoned managers are eligible to complete a "Mastering Management" program geared to update and improve existing skills, and encourage them to "think outside the box." Some aspects of these programs which makes them so successful are the active individual and team participation, assignments and demonstrations in the classroom using real life problems and issues brought by the class participants. This format brings Facilities Management the most return for its training dollar. Employees who have completed these programs receive real work-related, hands-on training they can put to use immediately.



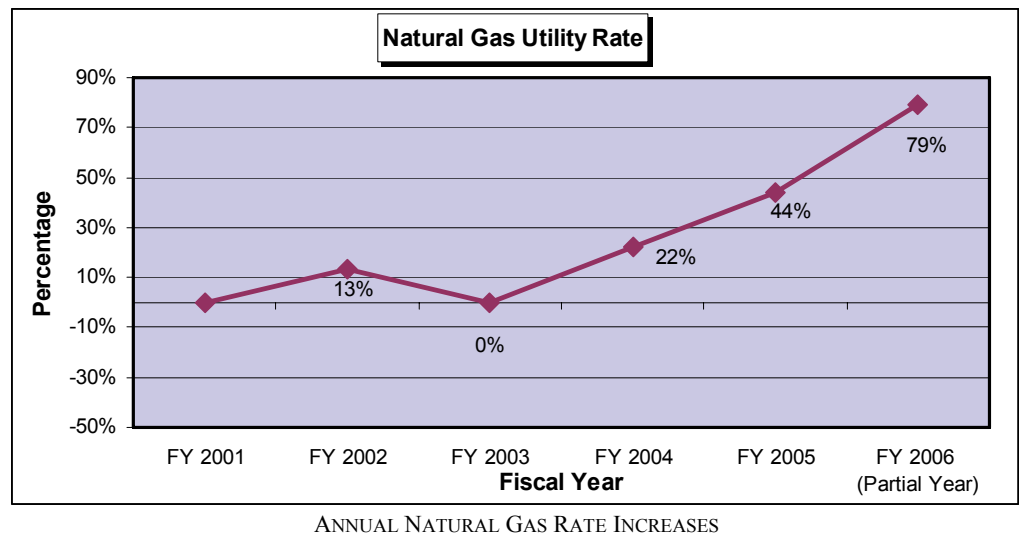
## CHALLENGES AND OPPORTUNITIES FOR THE FUTURE

The Division is continually affected by varying conditions related to building management. Management continues to focus on the future to prepare for the potential impact. The following challenges are issues the division will focus on to ensure future needs are identified and prepared for:

### Utility Consumption and Energy Management

As witnessed during the past year, dramatic increases in utility costs impact building management significantly. Established budgets are now falling short as large and unexpected increases have come forward from utility providers. Natural gas, water, and electric supplies all are critical components of operating a facility. Therefore, fluctuation of utility costs and utility availability impact our operation significantly.

Facilities management and our agency tenants have struggled recently with these increasing costs. Energy efficient measures taken by DFCM only lessen the financial impact on operating budgets. The continued financial impact from utility expenses will continue to drive up overall operating costs across the state. Future increased funding levels will be required, not just by DFCM, but all state agencies to continue to meet this demand.



Water availability and conservation is an ongoing concern. Landscape watering at managed facilities has been reduced and a new focus on drought resistant landscaping has accompanied this change. Lush green lawns and extravagant, water consuming flower beds typically seen at state facilities for many years may be a thing of the past. In addition to water conservation measures associated with landscaping, DFCM also is focusing on water reduction measures for interior building systems, such as cooling towers and fixtures. Continual efforts will be



## CHALLENGES AND OPPORTUNITIES FOR THE FUTURE

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required to reduce overall water consumption at state facilities. Since these issues have no foreseeable resolution, DFCM staff will continue to focus significant time on managing resources in state facilities.

### Continued Growth

Facilities Management continues to grow in total number of facilities managed each year. Over the past 10 years, the DFCM Internal Service Fund has grown by 200 percent in number of locations managed and 77 percent in total square feet. As new buildings are constructed annually, many of these are being added to DFCM's operation. This is a result of continued cost-effective, quality service that meets agency needs. Many agencies now automatically contract with DFCM for their maintenance needs as they increase space.



CONSTRUCTION OF THE NEW OGDEN REGIONAL CENTER

To meet this continued growth trend, DFCM is constantly projecting possible future needs. This consists of increasing staff as required and continuing to train and prepare current employees for new and expanded roles. One of DFCM's greatest strengths is its ability to provide consistent services throughout all parts of the state. This only can be accomplished by properly preparing staff and related support systems in advance.

The continued addition of facilities in all parts of the state has and will continue to require adjustments to our management groups. Being prepared to meet these demands, within current budget constraints, often can be a difficult task. Additionally, space requirements for the division's central office and support functions will need to be addressed in the near future. These, along with other issues, are always being discussed and planned for as DFCM conducts its business.

## CHALLENGES AND OPPORTUNITIES FOR THE FUTURE

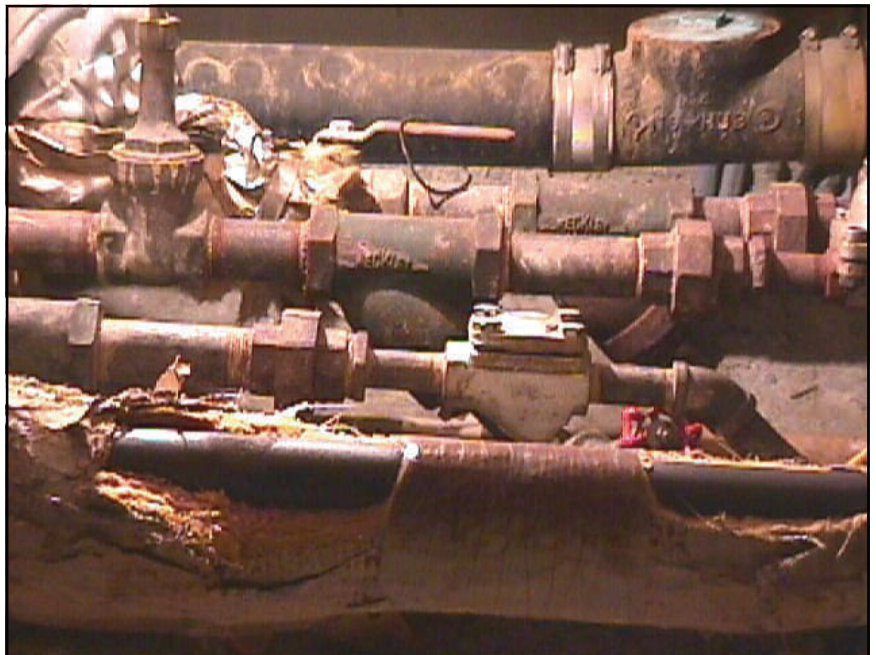
### Disaster Preparedness

The division's role in disaster preparedness for its managed buildings is significant. To address this, Facilities Management develops initial evacuation plans for each of its buildings, then works with each occupying agency to keep current. DFCM has developed its own disaster response program (Facilities Disaster Response Program) which will be used to guide employees and identify available resources in the event of an emergency. As mentioned previously, this program facilitates establishing a command center during an emergency.

Building and tenant security is also a concern of building managers. DFCM's role in providing security service is one of facilitator. DFCM does not provide security or security personnel to any building. Based on occupant needs, the division may provide contracting services for the agencies to secure a private sector security vendor. In other cases law enforcement agencies coordinate security efforts for certain buildings. DFCM intends to continue its role of facilitator and will not provide any direct security services.

### Capital Improvement Funding

Capital improvement funding will continue to be an issue of concern. Capital improvement needs throughout all state buildings will always outpace available funding. Properly investing in state-owned assets extends the useful life of major components and the buildings themselves. DFCM will continue to maintain state assets as they age, while working towards increased funding levels to improve this situation.



AGING STEAM LINES, EXAMPLE OF NEEDED IMPROVEMENTS